LIBRARY PURCHASING CONSORTIA:

THEIR ACTIVITY AND EFFECT ON THE MARKET PLACE

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Abstract

This chapter is based on a survey undertaken for a BLRIC/LIC-funded research project (RIC/G/403). It describes the models of operation of purchasing consortia in three library sectors (health, higher education and public libraries) and discusses present and future savings deriving from consortial activity. The effects of consortia on suppliers are discussed and future activity predicted. The views expressed are those of the authors, not of BLRIC or LIC.

1 Introduction

Procurement practice tends to be determined by national, or even state, regulations and conditions. Countries operating retail price maintenance, for instance, will obviously be concerned with quality of service rather than discount; those reliant on imported books and serials may concentrate on exchange rates and prepayment arrangements.

It is therefore not possible to take a properly international view of consortium procurement, even if one had the time and resources to conduct an international survey. The number of library consortia active throughout the world is large, and growing; the International Coalition of Library Consortia's (ICOLC) website (http://www.library.yale.edu/consortia/index.html accessed 31 March 2000) lists nearly 130 members, 97 of them in the US; there are 11 South African consortia in the higher education sector alone; in the UK over 20 consortia are active, with news of more being formed.

Given the above, this chapter will take the case-study approach, concentrating in some detail on the constitutions, activities and effects of library purchasing consortia in the UK. However the features highlighted (e.g. governance of consortia; how they satisfy the often different requirements of their members; how they award and manage contracts; involvement of purchasing professionals; impact on suppliers) have general significance, carrying lessons for the operation of consortia throughout the world.

The factual information offered here has been derived mainly from a survey undertaken for a British Library Research and Innovation Centre/Library and Information Commission-funded research project (RIC/G/403)[1]; the opinions and views are however the authors', and do not reflect those of the funding bodies. The consortia surveyed cover three library sectors in the UK: higher education, public and health libraries. Surveys and interviews of consortia and suppliers were undertaken in late 1998 and in 1999. Data gathered were also supplemented by seminars held for the consortia in July 1998 and March 1999.

The library purchasing consortia identified include eight in higher education, six in the public library sector and five in the health sector. Of 21 questionnaires sent out 20 were returned, representing an excellent response rate of 95%. Library purchasing consortia surveyed were drawn from all parts of the United Kingdom: sixteen from England, three from Wales, one from

Scotland and one from Northern Ireland.

Circumstances are constantly changing however, and the survey presents only a snapshot of activity.

2 Definition

We define a library purchasing consortium as an association of independent organisations that act in concert to procure for themselves goods and/or services specific to libraries.

Two things should be noted about this definition. Firstly, it includes both consortia that comprise only libraries and consortia that comprise libraries' parent organisations. Secondly, it excludes organisations such as CHEST and NESLI (a list of acronyms, with decipherment, is given at the end of the chapter). The latter organisations may be similar to consortia in their effect, but are not answerable to constituent members. In fact, they act as the *agent* of one or more bodies.

It should also be noted that, generally, library purchasing consortia differ in one important respect from consortia active in other spheres: they do not buy in bulk and distribute to their members. Instead they will typically negotiate a collective framework agreement with one or more suppliers. Individual libraries, as members of the consortium, will then make bilateral arrangements with these suppliers within the terms of the general framework agreement. The result is a standard agreement that can be tailored to the needs of individual libraries.

Distribution

The distribution of library purchasing consortia across the United Kingdom is uneven and sector-dependent. Only higher education libraries show a well developed regional infrastructure of purchasing consortia covering virtually all eligible libraries. Even here there is a diversity of approach: some library consortia have set up their own frameworks; others have arisen from existing institutional commodity group arrangements. What is clear is that academic libraries are able to take advantage of formal or informal advice by procurement professionals and demonstrate improved accountability, negotiating skills and management credibility by doing so.

Public library purchasing consortia exhibit much diversity in size and coverage throughout the United Kingdom. The cost savings achieved at the largest end of the scale, for instance by the Central Buying Consortium, are impressive and include a cross-section of libraries with a broad geographical spread. The heterogeneous nature of the member authorities is significant, as this particular consortium was formed in response to the end of the Net Book Agreement (NBA) and in advance of local government reorganisation (LGR). Although there is a well developed purchasing framework within public authorities in all UK regions, which lends itself to informal collaboration, it is perhaps surprising that libraries seem not as yet to have taken advantage of existing structures.

In the health sector there is a strong culture of informal networking as well as purchasing of services that has achieved a good measure of collaboration at local level. National purchasing initiatives are also evident; networked information initiatives, such as NHSNet and the developing national electronic library for health, are already having a significant impact.

4 Governance

Few consortia are guided by a formal constitution or a governing board; most have either steering or user groups, or both. It is perhaps significant that a number of consortia are in early or transitional stages of development and so the current picture may not represent the eventual need for formal structures, should activities grow or diversify. Those with formal structures tend to be sub-groups (commonly called commodity groups) of general purchasing consortia (e.g. the Southern Universities Purchasing Consortium (SUPC)).

5 Membership consultation

Higher education purchasing consortia embed regular consultation meetings firmly into their operations at all levels and involve the entire consortium. They also provide occasional updating meetings and have established new communication initiatives, such as training programmes or e-mail groups.

Public library sector purchasing consortia also provide for regular consultation meetings for their membership, these mainly of the entire consortium. In this sector the majority of consortia surveyed were stand-alone library groupings with no affiliation to consortia involving the parent authority, and so parallel consultation of this kind may be taken to represent management as well as communication.

Health library consortia tend to have occasional updating meetings for membership consultation, and to the exclusion of any other type of meeting. This presumably derives from the informal networking ethos that has fostered long-term, ‘grass roots’ collaboration amongst health libraries.

6 The role of procurement professionals

While there are clear sectoral disparities amongst the library purchasing consortia surveyed, the size of consortium expenditure seems to determine whether procurement professionals are involved. Thus in those whose spend consistently exceeds European Commission guidelines’ thresholds, the involvement of purchasing professionals is much more likely, and also crucial to the successful navigation of such procedures.

The most active and structured participation by procurement staff in library purchasing consortia occurs in higher education, where purchasing professionals are generally found within the libraries’ institutions to advise as requested or needed. Even where the library consortium is constituted separately from the general institutional purchasing consortium, the contribution of procurement professionals to library working groups is reported unanimously by all respondents within the sector. Further, although not all HE consortia involve procurement staff in their contract negotiation process, each reported instance shows negotiation in tandem with librarians as a true partnership. Significant contributions have been made specifically in such procedures as evaluation of suppliers.

Considering the prevalence of purchasing departments in local government and health authorities also, it is perhaps surprising that only the largest public library sector consortium reports an equivalent level of involvement of purchasing professionals who handle negotiations with suppliers on behalf of the librarians. All other public library respondents however note purchasing input, whether as a working group member, giving informal advice, or in unspecified other areas.

Only two health library consortia involve procurement staff: one in negotiations (not in partnership) and one informally. The significant recent partnerships between the NHS Supplies Executive and the NHS Regional Librarians' Group look set to transform materials procurement procedures for NHS libraries, following the tendering and award of national contracts for supply of books, periodicals and stand-alone electronic media for this sector mentioned above.

7 Meeting individual needs

The chief mechanism for meeting the diverse needs of individual libraries within a consortium is the combination of framework and bilateral agreements noted in §2 above.

Despite the widespread use of this mechanism, it has been suggested by several (mainly public) libraries that have elected not to join consortia, that they do not wish to be 'locked in' to arrangements not of their choosing. Neither do they want to see their individual identities, often as expressed in the details of servicing requirements, subsumed in the trend towards standardisation that accompanies the contract specification and development process. It is notable that of the consortia surveyed, almost all the member libraries stating a preference for standardised book servicing arrangements were in the public library sector, in the company of a single health library consortium. Those consortia opting for individual servicing requirements comprised overwhelmingly higher education and health libraries, reflecting a wider range of members' needs that were thought to be beyond the scope of a standard framework. To some extent this diversity can also be explained by the prevalence of in-house servicing departments in higher education libraries especially, where member libraries tend to cater for their own requirements without recourse to external shelf-ready arrangements. Health library consortia tend to follow more the HE model with their tradition of local level co-operation as well as the nature of their major resource provision, in journals and electronic information.

8 Tendering and contract management

Tendering and contract management form the heart of the procurement process. It is here that the involvement of procurement professionals is most valuable.

Fundamental to the tender is the specification of the goods and services to be provided. This specification must be as clear as possible, to ensure that suppliers know precisely what is required of them, both in terms of their response to the tender and the service eventually provided by the successful tenderers.

Evaluation of tenders once received is made according to a range of assessments by the consortium members. Different consortia apply different evaluation criteria; no two consortia reported equivalent weightings when rating an overall service standard. Our questionnaire elicited responses along a scale of measures including (but not limited to) service quality, level of discount, speed of service and value for money. In broad terms the majority of respondents reported greater importance awarded to quality and overall value of service than to cheapness or discount structures, amongst a sample of mainly higher education and health libraries. Most of the public library consortia placed more emphasis on cost of supply when evaluating tenders received, although the ratings given across all measures are sufficiently well balanced to identify no strong preference in any one sector. This is an area that may well begin to benefit from more standardised practice in future at least within sectors, as evidenced by growing dissemination of evaluation criteria frameworks for suppliers between higher education library purchasing consortia.

There was a range of responses from consortia regarding terms on offer from suppliers that were considered attractive options by consortia. Particularly in book supply contracts (which in all cases have started since the fall of the NBA), the starting point is the list price. This figure could then be subject to specified fixed or sliding scale discounts (depending on volume of spend). Some contracts also provide for the application by booksellers of a management fee on low or no discount items. There is also talk of 'cost-plus' arrangements, where suppliers charge the cost to them of items from publishers or wholesalers, but add a fixed handling fee. The most helpful quotations treat servicing requirements as separately costed from supply, which facilitate contract monitoring using management information provided by suppliers. Periodicals typically attract lower discounts than books, within an economic environment that has not been so recently deregulated, although in this supply sector too a 'benchmark' discount was traditionally applied in recent years that could also cover costs associated with consolidation services. Consortia take great pains to arrive at true and comparable costings when evaluating tenders, by including variables such as the application of exchange rates for the supply of non-UK materials.

Once the contract is awarded, a range of practices is applied to cover its management. Evaluation and monitoring procedures are universally regarded as vital and some form of regular meetings programme with suppliers within a cycle of feedback from members is universal. Even where these meetings are infrequent only, they provide opportunities for particular problems that have arisen to be addressed with suppliers and resolved.

9 Type of commodity

Virtually all library purchasing consortia surveyed were actively involved in contract management, with one-third and one-fifth of respondents also developing specifications and progressing tenders respectively. Most reported more than a single supply contract under way for one commodity or service and the majority are managing multi-commodity programmes. Expenditure is mainly on books, periodicals, electronic journals (which may be included with periodicals subscriptions) and increasingly library management systems (LMS). Supply of audio-visual resources is the subject of consortial agreements by two public library consortia, whilst CD-ROM materials are supplied to one HE grouping. Two current binding services contracts are also reported, one of very long standing, to public as well as HE libraries.

Book supply contracts are operated by nearly all HE and public library purchasing consortia. In the higher education libraries these agreements are usually mirrored by periodicals contracts, but rapid advances in electronic publishing, full-text journal availability and networked subscriptions access initiatives in this sector have caused more than one HE consortium to await further developments before renewing periodicals arrangements. Public library consortia surveyed do not have contracts for the supply of periodicals. The health sector maintains an even-handed participation in agreements covering electronic media as well as periodicals, where the technical distinctions between stand-alone and networked resources (as well as issues of duplicated local resource access) are significant in their contract allocation.

One of the most interesting areas for future contract development is the supply of LMSs, and most of the consortia responding are keeping a watching brief on progress and evolving practice. In terms of collaborative purchase it is currently the newer, smaller public library consortia that have the majority of contracts under way, which formed a powerful stimulus to their recent formation in the wake of LGR. Up to the present HE libraries have tended to implement LMSs individually to cater for their own institutional needs, and in many cases have now progressed to second- or even third-generation systems without recourse to common specification development with other libraries. But interestingly the recent withdrawal from the market of an established academic library LMS supplier has sparked off a collaborative specification and tendering exercise for one library grouping of long standing. It remains to be seen how the outcome of this particular contract influences the future market for LMS supply.

For NHS library purchasing consortia, initiatives to improve dissemination and delivery pathways for electronic information resources at regional level also have a national counterpart in the developing NHSNet and National Electronic Library for Health. The potential for networked electronic information delivery as distinct from stand-alone electronic resources is also under scrutiny by the NHS Supplies Executive.

10 Contract duration

One of the most striking features of the library purchasing consortia surveyed is how recently contracts have started across all sectors, reflecting a rapid growth in purchasing consortia activities in libraries world-wide. The majority of consortia (60%) in all sectors responding have become active within the last three years, with most of these reporting contracts under way only since 1998. Even the larger and longer established consortia that have been formed in the past three to five years (four in higher education, two in health and one in public libraries) have significantly expanded their activities in the last year, and several of these have undergone substantial reconstitution or restructuring since 1996.

As mentioned above, just over half the consortia responding are operating several contracts concurrently in a range of areas. The distribution of contract duration however is much more distinctive across library sectors. All higher education consortia report a basic contract period of three years, most with options of renewal for a further two years. One public consortium also operates three-year contracts. Amongst health libraries by contrast annual contracts prevail in the majority of consortia, although one reports a five-year contract in company with two public library consortia. Two other public libraries report contracts of one and two years' duration respectively, with renewal options also present in the sector.

11 Current and future levels of savings

Savings on expenditure made possible by consortial agreements differ according to the markets represented by the four library sectors included in this study. The product mix of books and periodicals required varies between library sectors: thus the large volume mass market paperbacks offered by UK publishers, whose multiple purchase might be attractive to public library consortia, would not be suitable for academic libraries, whose readers require single copies of specialist textbooks published throughout the world. Differential discount levels apply, and the deregulated market environment following the demise of the NBA operates on a sliding scale depending on the needs of library clientele.

The universal application to libraries of 10% discount that operated under the NBA established a base figure below which book suppliers to libraries in all sectors could not drop. Their pricing structure has had to resolve at a level that is market competitive to attract custom without reducing their own profit margins below a sustainable balance. The economies of scale achievable through consortium purchase have produced a significant gain in discounts over and above NBA levels generally. Multiple orders can be reflected in levels of discount offered, which is apparent in the public library sector particularly. Most library consortia across surveyed sectors seem to command a minimum 20% discount on UK-published books, resulting in an actual saving of 11% of the NBA price.

Public libraries are well placed in the type of materials required to benefit from the cost savings involved in domestically produced, mass market high print run titles. The extra purchasing clout attainable by collaborative book acquisition through consortia has yielded discounts of 30% by book suppliers to selected consortia, a level said by some in the book trade to be dangerously close to unviable. An additional consideration in pricing to public libraries particularly, which were used to all-inclusive un-itemised servicing charges under the NBA, is that these discounts also cover labour and materials costs associated with 'shelf-ready' services. Increasingly consortia agreements are now being drawn up to identify the hidden costs of these services to ensure that future contracts can benefit from a more standardised and accountable framework.

Amongst higher education library consortia however the wider range of titles acquired has resulted in a spread of discounts according to origin of books and periodicals. For overseas book material, applicable base discounts might be at levels as low as 9% (on the domestic price) for North American titles and 15% for those published in the rest of the world. For this type of material academic library consortia purchase can generate additional savings of 5-11% up to the region of 20% discounts deducted from publishers' list price. The individual nature of each library's requirements would militate against bulk discount levels on offer even through consortia.

Periodicals supply also operates according to established discount patterns, which also tended to settle at about 10% until recent years and again included shelf-ready services. Without the constraints of a deregulated environment however higher discounts have never been an option, and pressures on periodicals suppliers have substantially reduced levels on offer to libraries. Here again there is strong market segmentation, with periodicals expenditure noticeably not included in existing public library consortium contracts, where this type of material does not attract the same volume of expenditure as books and audio-visual resources. Typical discount levels lie in the region of 1-1½% to both public and health library consortia. Although the latter sector makes greater use of periodicals, order volumes are not as great as in higher education libraries. In some ways the mirror image of public library purchasing consortia, those active in the HE and health sectors show a larger proportion of periodicals supply contracts amongst their agreements, which is reflected in their higher profile in materials expenditure patterns. Even with more active periodicals contracts however the top discount achieved through academic library consortia is only of the order of 2% off publisher's list price, emphasising the marginal nature of profits available in the periodicals supply industry.

Details of individual consortial contracts and their discounts achieved are outside the scope of our report. Certain estimates of savings in books and periodicals may however be made, based on the levels cited above for the range of materials ordered by consortia and reported expenditure patterns. For the purposes of these (conservative) estimates, account has been taken of the different types and provenance of monograph material to arrive at the indicative across-the-board discounts below.

Library sector	Books Expenditure	Discount on NBA Price	Savings
Indicative HE library consortia expenditure	£31,124,984	9%	£2,801,249
Indicative public library consortium expenditure	£14,567,310	17%	£2,476,442
		Total	£5,277,691
Library sector	Periodicals	Discount	Savings
Indicative HE library consortia expenditure	£32,600,072	2%	£652,001
Indicative NHS library consortia expenditure	£1,421,065	1.5%	£21,316
		Total	£673,317

It is apparent that it is still early days when considering additional savings to library materials expenditure that are available to consortia members. The figures included above offer a good deal of scope for further improvement should agreements be extended to cover other areas of expenditure for resources and services. There is much that can yet be achieved by existing purchasing consortia in all library sectors.

The following table illustrates the ‘market penetration’ by consortia, based on fairly rough estimates of gross expenditure in each sector for books and serials.

	HE	Public	Health
Books			
Sector Spend	£40m	£103m	£3.2m
Consortia Spend	£31.1m	£14.6m	£0.2m
Consortia as % of Sector	78%	14%	6%
Periodicals			
Sector Spend	£57m	£7m	£5m
Consortia Spend	£32.6m	0	£1.4m
Consortia as % of Sector	57%	0	28%

Market penetration is highest in the HE sector for books. It is safe to assume that more consortia will negotiate agreements for periodicals in the coming years, as the provision and impact of NESLI become clearer. Other tenders for books are envisaged. One can therefore foresee a not too distant future when all book and periodicals expenditure in the sector will fall within the scope of consortial agreements.

Much the same is true for the health sector, through the current activities of the NHS Supplies Executive.

Most surprising, unless there are more consortia that our research has not discovered, is the lack of activity in public libraries. Given the present culture of Best Value and the added fragmentation, in England, of LGR, more consortial activity would be expected.

12 Effects of consortia on suppliers

Conclusions in this section are taken from the survey, by questionnaire and interview, of suppliers undertaken at the same time as the survey of consortia. The information supplied here is very different: more subjective, coloured by commercial interest, less full. Despite these caveats, the survey provides, we believe, a useful insight into the effects, foreseen and unforeseen, that consortia have had on the UK marketplace.

It is clear that there are enormous changes in many areas presently affecting suppliers of books and periodicals to libraries. Whether one directly ascribes to library purchasing consortia a significant influence in stimulating change, depends on relative perspective on the library supply industry from a vantage point in the marketplace. While the increase of consortial activities across library sectors has coincided in time with structural upheavals for suppliers, it is questionable whether purchasing consortia have been more influential in the UK than, for instance, the demise of the NBA, the general introduction of EC procurement directives, local government reorganisation, restricted library budgets or the global advent of broadband network technology. Each has contributed in its own way to destabilising existing circumstances that in many areas have represented a long history of practice and informal agreement within the library supply industry. It is difficult to unpick the complex interactions of factors to arrive at a definitive statement of cause and effect, particularly as it could be argued that reciprocal and combined influences are as powerful as single ones and there is every chance that change would have happened in any case.

Book and periodicals suppliers to libraries operate in very different environments and their relations with library purchasing consortia reflect their separate circumstances. Each sector has reacted differently to the involvement of consortia in the marketplace, which for library booksellers presents a patchwork of very individual concerns depending on target market, niche provision and nature of business. The larger periodicals agents sampled, by contrast, operate under a much more uniform framework; even so, their responses are not as unanimous as circumstances might suggest. Nevertheless, for all library suppliers there are common views regarding the influence of library purchasing consortia on the market that emerge from survey responses by both sectors.

The following positive benefits are seen by suppliers to derive from tendering successfully for library purchasing consortia business, at least in the medium term:

working partnership to an agreed specification that takes account of partners' needs;
steady volume of trade as long as service levels are maintained;
more transparent costings for duration of contract;
capacity planning benefits;
opportunity to streamline business practice;
ability to introduce new services.

Shared concerns amongst all suppliers include the following:

discount levels to consortia may be set at unsustainable levels that will eventually alter the marketplace;
market share to suppliers has become more volatile in the medium term;
insufficient standardisation amongst consortial members' requirements to achieve economies of scale;
consortia agreements too restrictive on suppliers and not restrictive enough for member libraries;
quality of service provided by suppliers will inevitably decline as margins are reduced;
concessions from publishers to consortia suppliers are likely to remain low or non-existent;
the 'all or nothing' nature of consortia contracts has operational implications for suppliers.

There is no doubt that the library book supply sector is in disarray. Although our report has focused specifically on those factors affecting the library supply market, there have been a number of significant recent developments throughout the book supply chain that bear repercussions for library suppliers. Effects anticipated from such moves include a breaking down of traditional differential levels of discount set to reflect the bookseller's position in the supply chain by both publishers and wholesalers, all of whom will find it increasingly difficult to justify historical practice based on what is now an outmoded market model.

The wide-scale introduction of technology also is serving to shatter established assumptions about what has up to now been an inward-looking industry. Although Internet bookshops are as yet new to the UK compared to their market penetration in the US, librarians in the UK may be beginning to take advantage of the favourable terms on offer for overseas materials that ostensibly include rapid delivery at lower cost. As an increasing number of UK booksellers are also beginning to set up Web-based interfaces to capitalise on the growing trend for public online ordering facilities, it is possible that the face of UK book supply will look very different even within the next twelve months. Some library suppliers see in technology future potential for partnerships to form, as developments in machine-readable bibliographic data gather pace with active input by librarians and automated systems suppliers. As a stimulus to electronic data interchange, the move towards unified interfaces to facilitate data and library management processes are seen as a positive outgrowth of the activities of library purchasing consortia.

Compared with library book suppliers, the widespread introduction of technology on a global scale has already served to transform the face of library periodicals supply, and is one factor in the recent merger of Swets and Blackwell's Information Services. Without the recent after-effects of the lifting of long-standing national trading restrictions as for booksellers, periodicals agents have been well placed to capitalise on earlier technological investment and take advantage of developing conditions and infrastructure world-wide. Parallel advances in their client base have meant that innovative systems and services could be implemented that were tailored to fit the needs of their market, justify development costs and extend the scope and demand for future business. As subscription agents' services are also targeted to respond to multiple institutional clients, they see library purchasing consortia as representing the future direction of library supply for their sector which is a trend amply confirmed by international experience.

Future concerns and opportunities for this more stable library supply sector are likely to centre round economic models, global intellectual property rights, copyright agreements, digitisation and archiving initiatives, site licensing considerations and establishment of appropriate models to take account of these factors in facilitating access to electronic information, alongside continuing technological expansion. The ongoing debate regarding parallel publication of electronic and printed media will continue to involve suppliers in issues such as widening access to full-text sources through partnerships with primary and secondary publishers. Technological capability will not be sufficient on its own to guarantee commercial security, however: content provision will become ever more key in a marketplace that has traditionally acted as an intermediary. It remains to be seen whether advantageous positioning as well as flexibility will see periodicals suppliers through indefinitely, but to this sector to date consortial supply represents more of an opportunity than a threat.

13 Future activity of consortia

The past five years have seen a burgeoning of consortial activity in the UK, a response in part to the demise of the NBA. This period has served to acquaint both librarians and suppliers with the new animals in the library forest. Many, on both sides, have felt themselves bounced into new relationships, which are only now settling into the familiar.

Suppliers have felt that consortia, of all their offerings, like only unpalatably high discounts. Concentration on discounts was however inevitable in this initial period: new parameters had to be set following the collapse of the NBA. Also, across-the-board discounts are easy to offer, to understand, to measure, to monitor, and to report on. It must also be remembered that consortia have not set the discount levels: despite their moans, suppliers themselves have offered the discounts and used them as an instrument of competition.

Price will always remain an issue: the consortia surveyed represent, after all, custodians and disbursers of public money; a primary duty is to achieve value for that money, and consortia have been very successful here (see §11 above). Indeed we expect the level of direct cost savings to increase, as more agreements come into force, and as consortia turn their attention to other areas of expenditure, such as LMSs. There are also hidden savings, which could not be readily calculated, for instance of staff time through tendering collectively rather than as individual institutions. The future should also see further hidden savings, as more and more agreements export work from libraries to suppliers, for instance in the requirement for shelf-ready books.

Consortia are also becoming increasingly interested in the other costs in the supply chain between the original request and material becoming available to the user. The recent monographs contract let by the SUPC, for instance, stipulated that suppliers must offer a full shelf-ready books service: libraries will therefore have the choice of either cataloguing and classifying in-house, or of outsourcing the task to suppliers at a set fee. Groupings such as NGCPAL have started to compile statistical data on supply times. This process will lead to the establishment of benchmarks, which will inform the future tendering and contract management processes. Taking time, as well as cost, out of the supply chain will have several beneficial effects. Most obviously it benefits the end-user directly, ensuring that resources are available in the shortest possible time. It also eliminates some at least of the time and cost, to libraries, intermediaries and publishers, of querying and chasing, enabling all parties to function with smaller staffs.

We also foresee consortia playing a major role in improving the quality of service from suppliers, working in partnership with suppliers to develop new services, and fostering the integration of systems and services. This is already evident in the shelf-ready books developments outlined above. This service requires a great degree of integration between the systems of book suppliers and those used by libraries. The books suppliers are required to supply this service to any library requiring it, and hence to interface with all the major LMSs. Consortia will be prepared not only to broker discussions between suppliers of different commodities; they will also write into specifications for such commodities requirements on suppliers for integration and co-operation.

Attention has hitherto been concentrated on the intermediaries: book suppliers and serials agents. Consortia will also, possibly in partnership with the intermediaries, start to negotiate directly with individual publishers or their representative organisations. The procurement expertise available in the consortia could well be seen as a valuable adjunct to the existing expertise and knowledge of the intermediaries.

Publishers themselves, particularly of serials, are keen to talk to libraries and their consortia. The fluidity in the marketplace, arising from the lack of an established economic model for access to and ownership of electronic information, is a major factor. New standards are being set (e.g. the ICOLC *Statement of current perspective and preferred practices for the selection and purchase of electronic information* (http://www.library.yale.edu/consortia/statement.html)). New models are being tested. Key ones for monitoring are: the Journal Access Core Collection (JACC) at California State University (http://130.150.170.121/irt/seir/JACC/JACC.html); the University of Michigan/Elsevier Pricing Electronic Access to Knowledge (PEAK) experiment (http://www.lib.mich.edu/libhome/peak/); NESLI (http://www.nesli.ac.uk). None is perfect; but the future may well combine elements of each. Purchasing consortia are constantly experimenting, and will lead the way.

ACRONYMS

BLRIC	British Library Research and Innovation Centre
CHEST	Combined Higher Education Software Team
HE	higher education
ICOLC	International Coalition of Library Consortia
JACC	Journal Access Core Collection
LGR	local government re-organisation
LIC	Library and Information Commission
LISU	Library & Information Statistics Unit, Loughborough University
LMS	library management system(s)
NBA	Net Book Agreement
NESLI	National Electronic Site Licence Initiative
NGCPAL	National Group on Consortium Purchasing for Academic Libraries
NHS	National Health Service
PEAK	Pricing Electronic Access to Knowledge
SUPC	Southern Universities Purchasing Consortium

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[1] Jo Pye and David Ball, *Library purchasing consortia in the UK: activity, benefits and good practice*, Library and Information Commission research report, 16, (Bruton: Capital Planning Information, 1999), ISBN 1 898869 56 1.